

STATE OF SOUTH CAROLINA

(Caption of Case)

PETITION OF SOUTH CAROLINA ELECTRIC
AND GAS COMPANY FOR UPDATES AND
REVISIONS TO SCHEDULES RELATED TO THE
CONSTRUCTION OF A NUCLEAR BASE LOAD
GENERATION FACILITY AT JENKINSVILLE,
SOUTH CAROLINA

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2012 - 203 - E

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PUBLIC SERVICE COMMISSION

(Please type or print)

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DOCKETING INFORMATION (Check all that apply)

- ☐ Emergency Relief demanded in petition ☒ Request for item to be placed on Commission's Agenda expeditiously
- ☒ Other: Alread Docketed. these are suggested orders for the Commission in the above Docket

INDUSTRY (Check one)

NATURE OF ACTION (Check all that apply)

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| <input checked="" type="checkbox"/> Electric | <input type="checkbox"/> Affidavit | <input type="checkbox"/> Letter | <input type="checkbox"/> Request |
| <input type="checkbox"/> Electric/Gas | <input type="checkbox"/> Agreement | <input type="checkbox"/> Memorandum | <input type="checkbox"/> Request for Certification |
| <input type="checkbox"/> Electric/Telecommunications | <input type="checkbox"/> Answer | <input type="checkbox"/> Motion | <input type="checkbox"/> Request for Investigation |
| <input type="checkbox"/> Electric/Water | <input type="checkbox"/> Appellate Review | <input type="checkbox"/> Objection | <input type="checkbox"/> Resale Agreement |
| <input type="checkbox"/> Electric/Water/Telecom. | <input type="checkbox"/> Application | <input type="checkbox"/> Petition | <input type="checkbox"/> Resale Amendment |
| <input type="checkbox"/> Electric/Water/Sewer | <input type="checkbox"/> Brief | <input type="checkbox"/> Petition for Reconsideration | <input type="checkbox"/> Reservation Letter |
| <input type="checkbox"/> Gas | <input type="checkbox"/> Certificate | <input type="checkbox"/> Petition for Rulemaking | <input type="checkbox"/> Response |
| <input type="checkbox"/> Railroad | <input type="checkbox"/> Comments | <input type="checkbox"/> Petition for Rule to Show Cause | <input type="checkbox"/> Response to Discovery |
| <input type="checkbox"/> Sewer | <input type="checkbox"/> Complaint | <input type="checkbox"/> Petition to Intervene | <input type="checkbox"/> Return to Petition |
| <input type="checkbox"/> Telecommunications | <input checked="" type="checkbox"/> Consent Order | <input type="checkbox"/> Petition to Intervene Out of Time | <input type="checkbox"/> Stipulation |
| <input type="checkbox"/> Transportation | <input type="checkbox"/> Discovery | <input type="checkbox"/> Prefiled Testimony | <input type="checkbox"/> Subpoena |
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| <input type="checkbox"/> Water/Sewer | <input type="checkbox"/> Expedited Consideration | <input type="checkbox"/> Proposed Order | <input type="checkbox"/> Other: |
| <input type="checkbox"/> Administrative Matter | <input type="checkbox"/> Interconnection Agreement | <input type="checkbox"/> Protest | |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Interconnection Amendment | <input type="checkbox"/> Publisher's Affidavit | |
| | <input type="checkbox"/> Late-Filed Exhibit | <input type="checkbox"/> Report | |

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2012-203-E – ORDER NO. _____**

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COMMISSION

October 26, 2012

RE:

PETITION OF SOUTH CAROLINA)
ELECTRIC & GAS COMPANY FOR)
UPDATES AND REVISIONS TO SCHEDULES)
RELATED TO THE CONSTRUCTION OF A)
NULCEAR BASE LOAD GENERATION)
FACILITY AT JENKINSVILLE, SOUTH CAROLINA)

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I. Introduction

South Carolina Electric and Gas Company (SCE&G) has come before the Public Service Commission of South Carolina (PSC or this Commission) in Docket 2012-203-E to beg relief since schedule changes in the construction of VC Summer Units 2 and 3 were significant enough to warrant approval of a change order for an updated schedule of capital costs.

After an exhaustive hearing in the BLRA Docket 2008-196-E which included evidence of stringent checking of SCE&G's formulae, models, and other mathematical processes by the ORS, evidence by ORS expert consultants as witnesses, and other evidences presented by a broad range of knowledgeable witnesses of other parties, all of whom were well-cross-examined by both the PSC and the parties. This Commission concluded that, based on the information available and presented at that time, the balance of evidence appeared to tip the balance toward a course of granting the construction of two new nuclear units for base load generation of electricity in Jenkinsville, South Carolina. This Commission put conditional orders into place, the first of which was 2009-104 granting the permit, clearing obstacles to support, and watch-dogging the process and progress of SCE&G's management of the nuclear units, as well as insisting upon SCE&G's extension of its Demand Side Management Program in a meaningful manner.

II. Statutory Bases and Conditions Relevant to this Petition of Docket 2012-203-E

As a result of the South Carolina Supreme Court's ruling in favor of the plaintiff in South Carolina Energy Users vs. The South Carolina Public Service Commission (3885.C.486, 697 S.E.2d587 (2010)) ruled that the BLRA did not allow the PSC to approve a contingency fund as a general pool of money for the SCE&G to use to cover unspecified items to unlisted costs. Consequently, this Commission wrote a succeeding Order No. 2011-343 which removed the contingency orders from the original PSC BLRA decision.

Under State statute the Public Service Commission alone can determine reasonableness, prudence, and fairness of an investor-owned utility's decisions and actions. As is for the utility the PSC must also demonstrate reasonableness, prudence, and fairness in its rulings based upon all the information available at the time of the decision.

The Commission not only hears testimony and examines exhibits in any one particular docket but has also recalls information from prior dockets and from quarterly reports. These documents provide background information from which this Commission gleans facts, trends, and context for the analysis and assessment of witnesses' current written testimony, exhibits, and live answers under cross-examination. If this Commission finds that the modifications and requested changes related to the construction of the new nuclear facility are the result of imprudence on the part of the utility (SCE&G), under statute South Carolina Code Ann 58-33-270(E), the Commission need not grant the relief sought. Indeed, the Commission may parse the request into those actions of SCE&G which are and which are not the result prudence.

Under Section 56-33-240 (D) the responsibility that sits squarely on SCE&G is expressed thusly: the utility . . . shall have the burden of proof as to all matters on which the Commission is required to enter findings under 58-33-270 (A), (B), ©, (D), and (E).

III. Prudence Determination and Prior Orders

Because SCE&G had listed a specific dollar amount of \$439 million for contingencies in the original BLRA petition of Necessity and Convenience, this Commission has kept this figure in mind as a touchstone for approving or disapproving specific additional costs to better monitor SCE&G's controlling and managing of costs.

Three conditions in Order No. 2009-104 critical to determining continued prudence are those which establish the tests for prudence defined as the lowest risk at least cost for the greatest public benefit including ensured safety and quality:

- 1. SCE&G keeps costs and risks low by maintaining the given schedule within a flexible time framework (not faster than 24 months or slower than 18 months on the Milestones
- 2. SCE&G puts into place a more effective and comprehensive Demand Side Management Plan
- 3. SCE&G work closely with ORS to prove the above two conditions are being accomplished by a. submitting quarterly reports containing descriptions and evidence of progress on construction and by b. coming before the PSC when the schedule is not being met and/or there are additional specific items heretofore not included in costs need to be included.

This Commission in examination of all the evidence, including the Petition itself, timely and late-filed testimony and exhibits in this docket, historical evidence, and questions-and-answers of cross-examination, remains cognizant of its prior decisions and orders. While this Commission does its best to rule in a manner consistent with prior rulings and orders, it stands vigilant to incorporate new knowledge, seek trends, and seek the long-term benefit while avoiding the creation an impression of establishing unintentional or presumptive precedent from which it would not deviate.

This Commission in weighing all the evidence reserves the right and obligation to request more information if necessary and will rule on the petition before it with conditions for SCE&G's future course of actions.

IV. Evidence of Reasonable but Imprudent Decisions by SCE&G

On October 2 and 3, 2012 this Commission heard testimony under this Docket by witnesses for SCE&G, for ORS, and for Sierra Club, the first two sets of which gave evidence in support of the petition and the last, opposing the petition.

In the matter of changing construction and rate schedules in Docket 2012-203-E SCE&G has not met the burden of proof that all the costs in the petition attributed to the schedule changes are the result of reasonable and prudent planning.

SCE&G's Petition, pg. 4, Part III lists and explains the current updates for which it makes its requests. Those updates which deal with natural phenomena and conditions such as weather and bedrock difficulties are normal in any outdoor construction project. Therefore, the unanticipated rock conditions for Unit 2, being of this nature, are a reasonable change to request. The unanticipated problems with the issuance of the COL by the NRC does not fit into the category of normal. The fact that Westinghouse delivered the expected date of issuance to SCE&G does not absolve SCE&G of the responsibility to recognize the imprudence of accepting such date into a category of inflexible certainty.

The entire issue of prudence, defined as choosing the lowest cost, lowest risk option that will net the necessary and/or maximum public benefit, is dependent upon "information available at the time the decision is made." Of great concern to this Commission is whether or not all the information available at the time was accessed. This Commission is also not convinced that the revisions to the DCD of the AP 1000 in its various revisions were known by SCE&G to be major rather than minor adjustments. In prior testimony in Docket 2008-196-E Mr. Marsh had reported under cross-examination that the designs were at that point 60% complete for Revision 15 that SCE&G planned to build. Conversely, Mr. Marsh also had stated that the revisions to the design were enhancements. The typical use of the word enhancement implies something non-substantial and not a serious issue. If these enhancement were geared only to making site-specific adjustments, or if enhancements and

design changes, this Commission cannot get a proper fix on the impact of such design changes on the schedules. Furthermore, this Commission recalls that Mr. Marsh would not or could not answer Mr. Guild's question about which AP 1000 Revision SCE&G would actually apply for and build.

This Commission has been keen to analyze information to determine what SCE&G knew and when it knew what. The Commission realized this determination rests a good deal upon understanding time-lines which need to show the decisions and actions of the various moving actors at various points and times in interrelationship.

After establishing the idea that historical context would be critical to examine patterns and trends in determining prudence based upon the information available at the time, Intervenor Greenlaw began to lay out such a time line in the course of cross in the proceeding of Docket 2012-203E hearing. This time-line is listed out in Section VII should be used as a reference during the laying out of known facts in this Order. NOTE: Items on the time line which deal specifically with the COL delay are italicized.

Of particular interest to Intervenor Greenlaw was the determination of COL delay. The COL delay was explained satisfactorily to this Commission by SCE&G and by the witnesses for ORS, yet after studying all the evidence, this Commission was not so certain of the integrity of the proffered information because of contradictions, inconsistency, and lack of substantiation.

When Ms. Greenlaw asked SCE&G, represented on the stand by Mr. Byrne, how the firm date of July 14, 2011 for issuance of the COL by the NRC to the Company was determined, Mr. Byrne under oath stated that the NRC in conversation with SCE&G gave assurance that July 14, 2011 was a reliable date by which the COL would be awarded. When pressed for the date in the NRC communication and for the name of the SCE&G communicant in the conversation(s), Mr. Byrne stated he did not know. Ms. Greenlaw reminded Mr. Byrne that in her first set of interrogatories she had asked in reference to pg. 7, Item #24 of the Petition what written agreement or assurance was given by the NRC to SCE&G and/or to WEC/Toshiba/Shaw concerning a real or probable deadline by which SCE&G could expect final approval on the AP 1000 application and what was the date of that agreement. She then reminded Mr. Byrne of SCE&G's answer to that interrogatory: "the NRC did not provide written assurance that the DCD or COL would be approved nor did they (NRC) provide a specific date for that decision."

Rather than ask permission of the Commission to treat the witness as hostile, Ms. Greenlaw questioned Mr. Byrne about what exact work was delayed and needed compensation. –Were people were standing around leaning on shovels? Mr. Byrne responded that although no one stood around leaning on shovels during the period from July 2011 (the date SCE&G hoped to have the COL) until March 2012 (the date of the actual issuance of the COL.), personnel were engaged in work productive to the project. Furthermore, Mr. Byrne explained, critical construction activities could not occur by law until the COL was actually awarded. Specifically, Mr. Byrne offered the pouring of concrete for Unit 2 as a task necessarily delayed by the lack of a July 2011 issuance of the COL permit.

Intriguingly, the original milestone date listed on pg 3 of Exhibit SAB-5(E) of BLRA Docket 2008-196-E for this activity, Milestone 11-4Q-1, "Begin Unit 2 first nuclear concrete placement" is actually a range—the fourth quarter, a range from October through December 2011. Moreover, on the page of the same Exhibit, Milestone 11-3Q-1, "Start placement of mud mat for Unit 2" to occur in the third (3rd) quarter of 2011, a range from July through September 2011. This means two things: first, the mud mat placement could have been put down in September had the COL been issued that month and still allowed for the placement of concrete on top of the mud mat within the given time frame; second, this Commission found the original time-line plan of Milestones with its built-in flexibility to be reasonable and prudent.

In essence the time difference between the necessity of having the COL in hand and the time it actually was in hand is 5 & 1/2 months at the most, if any firm date could prudently be chosen; however, before this conclusion can be inexorably drawn, the overall picture and its ill-fitting parts must be considered to determine if there was

a necessity of a firm July date and if the selection of a firm July date even occurred and if this was reasonable.

Part of its documentation to the Public Service Commission in Docket 2008-196-E which SCE&G presented was the "Execution Version of the Confidential Trade Secret Information—Subject to Restricted Procedures," labeled Exhibit 10.02. This document has its own exhibits, and on the 3rd (third page) of Exhibit C, "Permits," is a chart which lists not only the necessary permits, but also **a.** the permit type, **b.** if design data is needed, **c.** who will develop the permit, **d.** whether the contractor and/or owner is responsible for acquiring each given permit, and **e.** who will implement each. No dates were proposed in this chart. It is important to note under the heading of "Miscellaneous Permits" is the COL for which each column b. through e. contains the highly informative N/A. Assuming that N/A has the traditional meaning of not applicable, this document is unnecessarily silent on the issues of determining whether or not SCE&G was the ultimate responsible party for acquiring the COL from NRC. Mr. Byrne revealed in his testimony in Docket 2009-196-E that SCE&G contracted with Bechtel Corporation to serve as the lead contractor in preparing the site-specific COLA for the two Units and to help SCE&G obtain the COL from the NRC. So the responsibility, part d. of the chart having been established by direct testimony, there remained no clarification or amplification of sections a,b,c, or e on the chart. There was no discussion of the expected or anticipated COL awarding, or issuance date, as it can be concluded from this testimony, setting a firm date would have been premature.

Even so, the July 14, 2011 date, Westinghouse's listed anticipation date for the COL, was not available in the Milestone Schedule contained under the February 27, 2009 BLRA Order 2009-104A because the listing of a COL date was to be present in the Performance Measurement Baseline Schedule (PMBS), a contractual schedule, to become part of the EPC.

Nothing overt was said about an expected July 2011 COL date in SCE&G's first (1st) Quarterly Report of March 31, 2009. The ORS assessment of this report contained the statement, "the PMBS once set for delivery in late 2008 was completed and delivered in Spring 2009" by the Consortium to SCE&G. Was this unilateral decision-making by WEC or by mutual agreement of WEC & SCE&G on a date, and all that was delivered was a written document of an oral agreement? Without sufficient detail, the ORS would have to wait for SCE&G's second (2nd) Quarterly Report of June 30, 2009.

Mysteriously, the then-current-as-of-August-2009-review by ORS of SCE&G's June 30, 2009, 2nd Quarterly Report, the schedule for issuance of the COL is listed as --- *August 2011!*

After noting the many moving parts and changes in the time line and the vast contradictory inconsistencies of SCE&G in the matter of COL delay, this Commission is not pleased. SCE&G has shown great imprudence in its failure to be forthcoming. Without clear, convincing evidence there is great doubt that there has been or could be a prudent method for choosing a firm COL issuance date. Until SCE&G can prove that a single, firm date was adequately acquired from the NRC by independent means and that the lack of COL by that date actually caused the irrevocable loss of meeting the Milestones within the required 18 months, this Commission must deem the notion of COL delay as non-calculable and deny any charges related to the COL issuance to be assessed to rate-payers. This would be unjust. .

It is unreasonable for SCE&G and Westinghouse to believe a firm deadline rather than a flexible one for issuance of a permit when so many requirements and moving parts such as rule-making and re-designing have been anticipated to take place. SCE&G itself has recognized and named the risks, and by moving forward it demonstrates it is ready to accept those risks.

This Commission is empathetic toward SCE&G, as the Company acceded to Westinghouse's demand that the COL delay issue be part of its settlement agreement with WEC. This does cause the Commission heartburn as the work is only one third completed, and such extreme costs in the future could very well include additional settlements for additional dollars not included in the VC Summer facility budget as well as possible litigation and stoppage of work. We encourage SCE&G to renegotiate the EPC contract to reduce the burden of extreme

risk in future work with WEC. In the meantime SCE&G shall work out an alternate payment plan to fulfill its part of the settlement with Westinghouse. This Commission must abide by the statutes under which it is authorized to operate.

V. Reliability of Contractors and Vendors

By statute under the BLRA SCE&G can choose or cancel contracts with contractors and vendors. Unfortunately, as far as Westinghouse as the contractor is concerned, to choose the AP 1000 Nuclear plant design was not separate from choosing the contractor and the vendors and subcontractors with whom WEC wishes to work. Stone and Webster and Shaw have been subsumed by Westinghouse; so SCE&G has had to work with a monopoly. That is the requirement of the Contract, and SCE&G has only the choice of choosing a different nuclear plant designed by a different monolith such as GE or Areva in order to change vendors. That clearly is not a true choice. There is no bidding process in the nuclear industry. If a contractor wishes to bully or misbehave, short of abandonment of the project, the utility is beholden to most of the contractor's demands. One fact that consumers and Public Service Commissions cannot escape is that the guarantee of equity for the utility is compounded by the demand for profit by the contractor. This introduces levels of unreasonableness and unfairness into the equation and the contractor does not concern itself with least cost. A prudent utility would actually avoid this unequal alliance without insisting on greater protections because, no matter what the penalties are in the contracts, at the end of the day these penalties will have been bargained away by settlement agreements or erased by the guaranteed profit.

VI. Evidence of Imprudent Trends in Behaviors and Decisions

In the face of schedule delay change orders have been drawn up by SEC and SCE&G without regard to whether or not the set backs actually exceed the 18-month contingency. Just as the resultant costs are not cost overruns until the budget is actually exceeded, time delays are not set-backs until the budgeted time and 18-month contingency. Westinghouse sought to gouge or litigate in order to ensure that the flow of capital continued to flow easily. SCE&G followed the law by avoiding the costlier choice of litigation over negotiating a settlement. Had SCE&G been prudent, it would have recognized from the outset of the endeavor to build a nuclear facility that Westinghouse was giving the same "two for one" deal to all who signed a contract. Furthermore, since one of the purposes of a group of utilities. As the delays mounted WEC's figure for covering those costs was in excess of \$213 million, according to Mr. Byrne. Mr. Byrne stated that this figure was brought down to \$180 million as an upper bound claim that would go into the EPC contract in order to shield WEC from uncontrollable circumstances.

SCE&G has made numerous unreasonable and imprudent choices and behaviors. Since the risks were known at the time they were listed in documents and exhibits, these all should have each been assigned ranges of costs—a worst-case-scenario at one end of the spectrum and an average learned from the experiences from the reference plant using the same facility design. It was most imprudent not to count all the costs, not only of capital and construction and all the other factors included in the current documents such as applications, permits, exhibits, and schedules, but also the items that should be listed out which are known to be expenses on the future horizon, such as emergency rulings, solutions for loss of power and access to the ultimate heat sink, and above-ground dry cask storage for spent fuel, to name a few that have yet to appear in the schedules as items needing to have itemized costs. The Company may be planning for these particular contingency now; however, this cannot be easily found in the documents (applications, permits, exhibits, schedules) despite the fact that the Company knows this would be a requirement.

It is this Commission's understanding that one of the beauties of having only a few, standard nuclear facility

designs was that its modularity would allow the development of a template for the COLA (the Combined Operating License Agreement) which utilities adopting the same design would have a similar application and this would streamline the completion of the COLA. One purpose of the reference plan SCE&G did not allow itself the time to wait and learn from the reference plant, whether from Bellefonte,, the first to be chosen to be the reference plant, or Vogtle, the second to be chosen. Nor did SCE&G wait until one of the reference plants was built in this country in order to learn what the “bugs” were in the total process. SCE&G set Milestones based upon the advice of its Vendor/Contractor WEC, not on actual practice.

Mr. Lavigne, witness for SCE&G, explained the breakdown of the AP 1000 Owners' Group, APOG, a group of utilities in agreement to develop operating procedures. Rather than move forward, Westinghouse in a power play constricted the Group to only those utilities who had signed an EPC contract. It is the Commission's opinion that remaining with Westinghouse under the EPC contract at that point was an additional unnecessary and imprudent risk by SCE&G.

Under cross examination by Bob Guild, Mr. Byrne said that we cannot compare the schedules of building nuclear plant today with those of nuclear plants of 30 to 40 years ago because then there was not the benefit of experience and modular designs. Yet Mr. Byrne admitted that there were many causes of schedule slippage and potential additional costs.

In his testimony for SCE&G Mr. Lavigne reeled off a list of difficulties which are now and will continue to plague the schedules of construction and of operating the plant, from high failure rates of trainees to become qualified for hiring to quality assurance. This Commission is unsure of the prudence of being the pioneers when the costs are beginning to spiral upward with only one third of the project completed. Finally, in this set of behaviors that indicate a lack of thoroughness and care by various parties is the late-filed, eleventh-hour delivery of SCE&G's witness Dr. Lynch's comparison of an all-gas strategy to an all nuclear strategy. This move did not allow sufficient time for all parties to read and absorb the information and it invited a twelfth hour response from Mark Cooper, witness for Sierra Club. None of the parties overtly objected, yet in the seriousness of the proceeding and the complexity of the information in both documents/exhibits, this Commission again is not pleased. This behavior does not serve the need for careful presentation and thoroughness of study required to ask pertinent questions in order to determine prudence.

In particular, the costs incurred for which the Company seeks a revised schedule, change orders, and a rate increase are only the beginning of a long, drawn out process by which SCE&G and its consortium does indeed plan to return piecemeal to cover every unanticipated cost until they have spent over 50% of the allotted total costs for the finished plants. Once they have spent over 50%, they, the PSC, and the consumers will have sunk in so much it would be impossible to change course on energy production options. This is a very real fear of this Commission, that the public we are trying to serve will ultimately suffer from compounding problems if these persist and grow into the future.

VII. (Timeline is attached.)

VIII. Need for Comprehensive Review

Considering the extreme number and types of risks, the remaining two thirds of the work and budgeted monies are seriously threatened. The Company has to prove that overall this particular nuclear facility will continue to be the lowest-cost option. At this point in time with the current difficulties in the industry, in light of the changes in usage needs and practices of electricity users, in the changing global and local economic conditions. SCE&G has not proven that continuing to beg relief for schedule changes, change orders, and rate increases to support the construction of VC Summer Units 2 and 3 will result in the least risk and lowest cost to provide the necessary benefit in energy brought to consumers.. Mark Cooper , witness for Sierra Club, gave convincing testimony as to the idea of The Company conducting a such comprehensive study of a plan to analyze the

nuclear strategy vs. an integrated, combination strategy in light of the changed conditions the Company and the public now face.

IX. Orders

Now, therefore, it is hereby ordered:

1. The Petition of South Carolina Electric and Gas Company for Updates and Revisions to Schedules Related to the Construction of a Nuclear Base Load Generation Facility at Jenkinsville, South Carolina is, in its current form, denied.
2. The Company must conduct a thorough prudence review of its current and future nuclear course and of a course of combined generation (including alternative energies and gas, conservation, and energy efficiency strategies). In the review the Company must assign cost projections to each and every one of the risks, including but not limited to fees, design changes, delays, mitigation, NRC requirements, and other items. Inclusion of these risks into general categories is not sufficient for proving cost effectiveness and efficiency.
3. The Company may re-petition for relief of only one set of cost categories at a time. In this way the Company may continue to meet schedule demands, continue a flow of capital, and assess prudence of the totality of the nuclear and of combined energy strategies.
4. Any charges for the delay of COL issuance, because of the lack of reasonable and prudent basis for selecting a single, firm date considering the many circumstances that were sure to defeat such inflexibility and inconsistency, are now and henceforth disallowed to be rolled into consumer rates.
5. Should the prudence review indicate that the adoption of a combination strategy be the prudent choice for electricity consumers, the Company under BLRA may choose to abandon the current nuclear project.
6. SCE&G must also include the costs of abandonment of the nuclear project, for which BLRA provides relief.
7. In future proceedings, the company will double-list all figures, one set in 2007 dollars and the other in 2014 dollars, a halfway point for the projects. This will mean that until 2014 the figures will be cost projections and later they will more closely reflect more current dollar values.

VII. Time line of Significant Information and Events

- Sept. 11, 2001 --- Attack on the World Trade Center
- Sept 2003 --- Toshiba/Westinghouse (WEC) rolls out AP 1000 model
- Sept 2004 --- NRC certifies AP 1000 as an accepted standard nuclear design choice
- May 2007 --- AP 1000 Revision 16
- Oct. 3, 2007 --- NRC airplane impact rule draft
- Mar. 27, 2007 --- *SCE&G applies to NRC for COL license and includes an environmental report in the packet*

- May 23, 2008 --- EPC contract signed by SCE&G and WEC (*sans expected COL date*)
- May 30, 2008 --- SCE&G files with PSC for BLRA License
- Aug. 6, 2008 --- NRC docketed SCE&G's application
- Sept. 2008 --- AP 1000 Revision 17
- (SCE&G completes 14 facility Milestones)
- Nov. 2008 --- PSC BLRA Hearing
- Dec. 18, 2008 --- NRC questions SCE&G about its Quality Assurance Program (ADAMS, Accession No. ML083540820)

- Jan. 5, 2009 --- SCE&G Notice of Intent to prepare an EIS and conduct scoping meeting
- Feb. 27, 2009 --- PSC grants BLRA Permit to SCE&G
- Mar. 31, 2009 --- *First Quarterly Report to ORS, in which it is noted that WEC completed and delivered the PMBS to SCE&G in the Spring (Was the PMBS to include the target date for the COL?)*

- June 2009 --- NRC issues final aircraft impact rule
- June 30, 2009 --- *Second Quarterly Report to ORS; review of this document by ORS states the document indicates the "schedule for issuance of the COL is August 2011"*

- July 15, 2009 --- NRC notifies SCE&G Notice of Violation based upon inspection report
- Sept. 30, 2009 --- Issuance of rule-making for AP 1000 Revision 17's DCD, specifically the Shield Building scheduled by NRC for August 2011.
- Sept. 30, 2009 --- *Third Quarter Report to ORS; (Does PMBS indicate COL expected by 14 July 2011?)*
- Dec 31, 2009 --- *Fourth Quarter Report to ORS; SCE&G states it does not expect COL before late 2011 or early 2012*

- Jan. 21, 2010 --- PSC approved Update and Revision to Milestone Schedule by Order No. 2010-12 in Docket 2009-293-E
- Dec. 1, 2010 --- AP 1000 Revision 18
- Dec. 13, 2010 --- NRC requires COL applicants to submit assessment of the DCD to withstand impact of commercial aircraft. (NRC does not accept WEC's initial input.)
- Spring 2010 --- Goal of WEC to submit final design summarization Documentation related to DCD-17

- Mar. 2, 2011 --- NRC issues Notice of Availability of Application for Combined License

- Mar. 2011 --- currently under review by NRC staff
 - Mar. 29, 2011 --- Fukushima disaster -- a force de jour, a.k.a. Act of God
 - Apr. 22, 2011 --- SCE&G and Westinghouse preliminary agreement for additional changes
 - Apr. 22, 2011 --- NRC & Army Corps of Engineers publish final EIS for VC Summer units 2 & 3 and have it available for public inspection
 - July 14, 2011 --- *WEC's determination of receipt of COL to SCE&G from NRC*
 - Aug. 26, 2011 --- NRC gives Notice of evidentiary hearing on safety and environmental matters for SCE&G to be held Oct 12, 2011
 - Oct. 12, 2011 --- NRC holds this evidentiary hearing
 - Dec. 30, 2011 --- AP 1000 Revision 19
 - Dec 30, 2011 --- Amendments to the DCD for the June 2009 airplane impact rule
-
- Feb 27, 2012 --- *NRC grants COL to SCE&G*
 - Mar. 12, 2012 --- NRC requests Safety Enhancements
 - Mar. 30, 2012 --- Water Quality 404 Certification granted to SCE&G
 - Mar. 30, 2012 --- *NRC grants COL to SCE&G*
 - April 19, 2012 --- SCE&G gives Westinghouse Notice to Proceed
 - May 18, 2012 --- NRC Inspection of Westinghouse Quality Assurance Program in state of PA finds non compliance. Asking for relief several times, Westinghouse is given Oct 2012 deadline to solve issues. (though not directly related to its work with SCE&G so far, this is indicative of how Westinghouse needs to be monitored.)
 - April 19, 2012 --- SCE&G gives Westinghouse Notice to Proceed
 - Sept. 30, 2012 --- SCE&G misses deadline for filing exhibits and delivers 2 days before the hearing of Docket 2012-203-E a Large Packet containing a sort of cost analysis of a single gas strategy compared to a single nuclear strategy